GOVERNMENT OF ANDHRAPRADESH
ABSTRACT

Department of Agriculture and Co-operation– Appointment of Project Management Agency for Implementation, Evaluation and Monitoring Support for Department of Agriculture and Co-operation – Orders – Issued.

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AGRICULTURE & COOPERATION (MKTG.II) DEPARTMENT

G.O.Ms.No.59 Date 07.06.2018

Read :-

From the Spl. Commissioner and Director of Agricultural Marketing, A.P., Guntur Lr.No.COM-12023/1/2018-MRKT RFMS-RTG, dated 09.01.2018 and 5-4-2018.

ORDER:-

The Department of Agriculture and Co-operation is undertaking critical initiatives to address challenges at various levels of food and agri value-chain to increase the farmer income.

2. At present there are following key challenges identified at production, marketing and distribution sides,

a. Production/Farm side (Department of Agriculture) - The Department of Agriculture, has various organizations/departments serving overlapping objectives which is hampering the efficiency and effectiveness of developmental programs.

b. Marketing side (Agricultural Marketing Department)- Price discovery for farm commodities is based on manual assessment of quality, which leaves the farmer vulnerable to malpractices in price fixation. Additionally the farmer payment are mostly made in cash and there is a lack of transparency in terms of actual payments made to farmers.

c. Distribution side (Department of Civil Supplies / Andhra Pradesh State Civil Supplies Corporation) - The rural/low income population has limited reach to good quality and affordable daily consumption goods. Moreover, rural markets are dominated by low grade spurious commodities / FMCG goods.

3. Government, in view of the above, is taking up integrated initiatives to holistically address the challenges from farm to fork, which include following key programs,

a. The Department of Agriculture is undertaking realignment of various functional teams, focusing upon objective of increasing the ROI for farmers from Agriculture activities.

b. The Agricultural Marketing Department envisages to implement mandi modernization initiatives including, infrastructure development, IT integration, process realignment and capacity building.

c. The Department of Civil Supplies / Andhra Pradesh State Civil Supplies Corporation is rolling out various initiatives, enabling supply chain optimization & organization realignment.

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4. To implement and monitor the above interventions at various department with an integrated approach and continuous co-ordination, the department wants to establish a dedicated Project Management Unit with professionally qualified and experienced resources.

5. Appointing a professional agency to operate the Project Management Unit will bring in transparency and accountability in the system with third party monitoring along with professional approach utilizing latest interventions contributing knowledge, skills and technology expertise.

The temporary resources hired for specific requirement have limited financial commitment and brings in task based and result oriented approach in the system, with an independent and fresh perspective.

6. Accordingly and after due deliberations and careful consideration, Government hereby establish the Unified Project Management Unit (UPMU) for Department of Agriculture and Corporation, in collaboration with KPMG India Pvt. Ltd. with the objective of streamlining the development initiatives under various Departments/ Organizations under Agriculture and Co-operation. The broad scope and constitution of the UPMU are as follows:

a) The Unified Project Management Unit, will be established under the supervision of the Commissioner, Agricultural Marketing Department, Government of Andhra Pradesh, and will work closely with Department of Agriculture and Department of Civil Supplies / AP State Civil Supplies Corporation to ensure periodic update and review to the Secretary, Department of Agriculture and Corporation and Department of Civil Supplies.

b) Broad Scope of the proposed Unified Project Management Unit:

1. Planning activities:

- Assistance to the Departments in connection with defining short term and long term objectives
- Supporting goal setting with quantifiable & measurable targets
- Prioritizing the goals and developing rollout timeline with well-defined implementation stages.

2. Implementation activities:

- Identifying the prerequisites in terms of in terms of infrastructure, IT and training, and suggest interventions
- Monitoring & evaluating the rollout of schemes, programs and infrastructure as defined during goal setting
- Assessing the stages of accomplishment and periodic reporting on the progress of rollout
- Identifying the loose links and bottlenecks in implantation and suggesting solution mechanism
- Facilitating coordination and information sharing with other related departments
- Providing support for inviting bids from reputed vendors and evaluation of proposal

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3. Post Rollout activities:

- Facilitating monitoring & evaluation of the existing and new schemes/ programmes launched during the course of time
- Deploying control mechanism for empanelled vendors to ensure delivery and eliminate leakages
- Developing mechanism for MIS and maintain information database for the department
- Creating a promotion plan to generate awareness among stakeholders about Department's initiatives

c) UPMU Resource Construct:

- UPMU will comprise off our member core team of full time resources placed at the Agricultural Marketing Department, headed by a Project Manager and a Team Leader of Director/ Partner designation from KPMG.
- Out of the four members at ground level, three members of consultant/ senior consultant level should be appointed to coordinate with each of the three Departments, where as one member not below than Assistant Manager should be responsible for day to day coordination and reporting.
- The UPMU will draw upon the expertise of KPMG advisory team which specialize in areas like Agriculture, Agriculture Marketing, Food & Agri supply chain infrastructure and Digital technology solutions.
- Additional resources should be made available by KPMG on pro-rata basis as and when required.

d) Timeline and Fee:

- The UPMU will be initially established for a period of three years, with a provision to further extend the tenure by two more years based on mutual agreeable terms between Department of Agriculture and Co-operation and Department of Food & Civil Supplies / Andhra Pradesh State Civil Supplies Corporation.
- The break-up of professional fee and payment schedule is as following,

S. NO.	Amount	Milestone
1	INR 22.50 Lakh	Upon sign-off of the letter of engagement as mobilization advance
2	INR 22.50Lakh per month	From 2nd to 12th month: On submission of monthly progress report at the end of the month.
3	INR 25.00 Lakh per month	From 13th to 24th month: On submission of monthly progress report at the end of the month.
4	INR 27.50Lakh per month	From 25th to 36th month: On submission of monthly progress report at the end of the month.

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- The professional fee will be paid monthly by 10th of every month on submission of invoice and monthly progress report by the consultancy firm. The fee is excluding OPE (Out of pocket) expenses incurred on travel, boarding & lodging, plus service tax and other taxes, as applicable. OPEs will be reimbursed with a cap of 20% on monthly professional fee and will be paid against monthly invoice.

7 The agreement for unified PMU services will be formally executed between Department of Agriculture Marketing on behalf of Government of Andhra Pradesh and M/S KPMG India Pvt. Ltd.

8 Though the agreement will be executed as stated in point 7 above, the cost (fee + OPEs as referred above) for the unified PMU services will be borne in equal proportions between the three departments – Department of Agriculture, Department of Agriculture Marketing and Department of Civil Supplies / Andhra Pradesh State Civil Supplies corporation. Payment modalities by other two departments (Department of Agriculture / Department of Civil Supplies / Andhra Pradesh State Civil Supplies Corporation to Department of Agriculture Marketing will be on monthly basis.

9 While the funding from Department of Agriculture Marketing will be from CMF funds, Department of Agriculture will be through allocate annual expense budget and Department of Civil Supplies will be from Andhra Pradesh State Civil Supplies Corporation for the unified PMU service charges including OPE & GST amounts, for the services rendered from M/s. KPMG India Private Ltd. and intimates to initiate accordingly.

10 M/S KPMG India Pvt. Ltd. is requested to initiate all necessary further steps to sign execute the contract with detailed scope of work and contract terms and deploy the required on the lines indicated above immediately in coordination with the Agricultural Marketing Department.

11. The Spl. Commissioner & Director of Agricultural Marketing, AP, Guntur shall take further action accordingly.

12. This order issues with the concurrence of Finance Department vide their U.O. FIN01-38027/92/2018-SO(FMU(A&CACS))-FIN,Dated 14-05-2018.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.Rajsekhar,
Spl.Chief Secretary to Government.

To
The Spl. Commissioner and Director of Agricultural Marketing, A.P., Guntur.
KPMG India Private Limited, Haryana through the Spl. Commissioner and Director of Agricultural Marketing, A.P., Guntur.
Copy to:
The P.S to Hon'ble Minister (Mktg).
The P.S to Spl. Chief Secretary to Government (A& C) Department.
The P.S to Additional Secretary to Hon'ble Chief Minister.
SF/Sc.

//Forwarded by Order//

Section Officer